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CONGRESSIONAL RECORD—SENATE

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ten helped small producers and consumers to serve their own needs when other private businesses had failed to do so.

Existing Federal programs have responded to the needs of consumer co-operatives either inadequately or not at all.

Cooperatives have typically been unsuccessful in receiving credit from private lenders to finance normal operating needs and long-term expansion. This bill would help develop the managerial and financial strength of consumer co-operatives and thus open new options for American consumers.

Mr. President, I believe this bill helps fulfill the Federal Government's responsibility for encouraging economic diversity. Enactment would assert the interest of Congress in making the economy as responsive as possible to the needs of consumers.

I would note, Mr. President, that the first budget resolution conference report mentions that the fiscal 1979 targets could accommodate "initial financing and operating requirements for the proposed National Consumer Cooperative Bank." Funding for this program would be included in function 370, commerce and housing credit. It should be kept in mind that the funding requirements of other programs in that function account for almost all of the available budget authority and outlays in that function.

In fiscal 1979, the bill could authorize \$114 million in appropriated budget authority plus an additional \$500 million in borrowing either from the Treasury or the public. If the bill were fully funded, Mr. President, the new bank could operate at a level that would involve about \$1.6 billion in budget authority and about \$1.4 billion in outlays over the next 5 years.

The first budget resolution could not accommodate these levels of spending either within the fiscal 1979 or the 5-year totals. I understand, however, that levels of budget authority substantially below full funding of this bill would be adequate in the early years for a National Consumer Cooperative Bank. Thus the bank could be initiated without causing the first resolution targets to be breached.

With that understanding I shall vote for H.R. 2777.

● Mr. DOLE. Mr. President, consumer cooperatives are on the forefront of the fight against inflation and are a valuable tool for providing improved consumer information to those who use their services. Likewise, they can be an important focal point of community activity and can provide the necessary organizational cohesiveness for uplifting certain communities and neighborhoods.

The Senator from Kansas is intimately familiar with the tremendous amount of good done by farmer cooperatives in Kansas and throughout our Nation. As the ranking minority member of the Senate Agriculture Committee, I am a supporter of our farm cooperatives. As a Senator concerned about the consumer, I believe it is time to expand our cooperative assistance to include consumer co-operatives.

For a variety of reasons, consumer co-operatives have difficulty receiving conventional financing from commercial banks. Therefore, this sort of assistance is necessary, assuming that the assistance is provided in a prudent and wise manner. The Consumer Cooperative Bank is given enough discretion to choose those cooperatives which will be able to succeed and provide necessary services or markets or facilities for their patrons. Through judicious use of the Federal seed money the bank will be able to do much good. This is a landmark piece of consumer legislation and definitely deserves our support.

Cooperatives have been an important part of American life for many, many years. As the late Senator Robert Taft, Sr., of Ohio, said, cooperatives "are as American as apple pie." Especially at this time when more and more people are saying that they want to do things for themselves, get out on their own, solve their own problems—this legislation should prove beneficial. Cooperatives are a powerful tool for self-help. By providing assistance financing and technical assistance we can help consumers help themselves.

● Mr. NELSON. Mr. President, this legislation is a distinct, and highly beneficial approach to providing the assistance which co-ops need to organize and survive in the marketplace.

Co-ops, regardless of the services they provide, share central tenets of an open membership, democratic control, and equitable distribution of savings. They exist for the benefit of users-owners, rather than for the benefit of outsider investors.

I will not repeat the many advantages which co-ops can provide to citizens. Suffice it to say, co-ops have proven that, with the proper financial backing, and access to specialized management assistance, they can greatly benefit consumers in both urban and rural areas. Nowhere is this benefit more evident than the Consumer's Co-op in Eau Claire, and throughout Wisconsin. Since 1935, consumer's has been a growing, and integral part of the economic development of the area.

For too long, Mr. President, the cooperative movement in the United States has been handicapped by a lack of resources. Today the Senate is recognizing the invaluable benefits which co-ops are able to provide to their members, and taking positive steps to remove these barriers.

This legislation will provide the financial and technical benefits which are so desperately needed. The bill creates a separate National Consumer Cooperative Bank. This bank will make or guarantee loans to consumer cooperatives operated on a nonprofit basis, correcting one of the major impediments to their growth—the lack of adequate capital.

In addition to being a source of needed funding, the bank will have an office of self-help development and technical assistance. This office will be structured so that training, market, and financial analysis can be undertaken on behalf of

co-ops. In my view, the functions of this office are just as important as the lending responsibilities of the bank. The resources which the office is to make available to cooperatives will insure that once started, co-ops can stay in business.

Finally, we need not worry that we are creating yet another Government bureaucracy. Under the legislation, the Government will provide only the initial "seed" money to begin the operation of the bank. All of this money will be repaid. The bank will then become a private institution, with almost no Federal involvement.

Consumers organized into cooperatives can be an effective countervailing force to increases caused by inflation. The effective assertion of the consumer's interest has been proven to lead to better quality products, increased production, and a pricing system which more closely reflects the true costs of production.

Mr. President, I urge approval of this legislation.

Mr. MCINTYRE. Mr. President, I move passage of the bill. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

All time has been yielded back.

Mr. ROBERT C. BYRD. Mr. President, there is another bill that will be coming up yet today.

The PRESIDING OFFICER. I thank the distinguished majority leader.

The question is, Shall the bill, as amended, pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. Mr. President, I should say that on that bill there may be rollcall votes.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON) and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent. I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON), and the Senator from South Dakota (Mr. MCGOVERN) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Idaho (Mr. MCCLURE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee (Mr. BAKER) would vote "yea."

The result was announced—yeas 60, nays 33, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—60

| | | |
|-----------------|-----------|----------|
| Abourezk | Clark | Gravel |
| Bayh | Cranston | Griffin |
| Biden | Culver | Hart |
| Burdick | DeConcini | Haskell |
| Byrd, Robert C. | Dole | Hatfield |
| Cannon | Durkin | Mark O. |
| Case | Eagleton | Hatfield |
| Church | Ford | Paul G. |

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|----------|------------|-----------|
| Hathaway | Matsunaga | Riegle |
| Hayakawa | McIntyre | Barbanes |
| Helms | Melcher | Schweiker |
| Hollings | Metzenbaum | Sparkman |
| Humphrey | Morgan | Stafford |
| Inouye | Moynihan | Stevens |
| Jackson | Muskie | Stevenson |
| Javits | Nelson | Stone |
| Kennedy | Pearson | Talmadge |
| Leahy | Pell | Thurmond |
| Long | Percy | Welcker |
| Magnuson | Randolph | Williams |
| Mathias | Ribicoff | |

NAYS—33

| | | |
|---------------|------------|----------|
| Allen | Eastland | Packwood |
| Bartlett | Garn | Proxmire |
| Bellmon | Glenn | Roth |
| Bentsen | Goldwater | Sasser |
| Bumpers | Hansen | Schmitt |
| Byrd, | Hatch | Scott |
| Harry F., Jr. | Helms | Stennis |
| Chafee | Hodges | Wallop |
| Chiles | Huddleston | Young |
| Curtis | Laxalt | Zorinsky |
| Danforth | Lugar | |
| Domenici | Nunn | |

NOT VOTING—7

| | | |
|----------|----------|-------|
| Anderson | Johnston | Tower |
| Baker | McClure | |
| Brooke | McGovern | |

So the bill (H.R. 2777) was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 2777.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF S. 1264 TO COMMITTEE ON ARMED SERVICES

Mr. MORGAN. Mr. President, I ask unanimous consent that the Federal Acquisition Act, S. 1264, which was reported to the Senate by the Governmental Affairs Committee on March 22, be referred to the Committee on Armed Services for further study.

This is a far-reaching bill which completely revamps the statutory basis for all Federal procurement. A great deal of work has gone into it. But because it is so important, we need to be sure that the proposed changes are wise ones. The Armed Services Committee's interest in this legislation stems from the fact that it would repeal the Armed Services Procurement Act, which governs procurement of all Department of Defense items from paper clips to missiles. The Department of Defense accounts for 75 percent, in dollar amount, of the procurement done by the whole Federal establishment, and we want to assure ourselves that the bill's effect on that procurement is fully understood. Insofar as the bill would change procurement practices, it will also affect our continuing oversight responsibility for defense procurement and research and development.

In short, Mr. President, this legislation has an important impact on the business of the Armed Services Committee, and we would like to have an opportunity to look into it in some detail in

order to assure ourselves that it does not have a harmful effect on our national defense effort. I have discussed this matter with the distinguished chairman of the Subcommittee on Federal Spending Practices, Efficiency and Open Government, Mr. CHILES, and it has been cleared on the other side of the aisle.

Mr. CHILES. Mr. President, reserving the right to object—and I shall not object—I concur with the distinguished Senator from North Carolina that this certainly does have a bearing on the Armed Services Committee. We think it should be looked at by that committee, and we always proposed that it be looked at by the Committee on Armed Services.

I am delighted to hear the statement by the distinguished Senator from North Carolina that they intend to give the bill good attention and careful study. That is the one thing we are concerned with—that the bill does not languish somewhere, because we think it is tremendously important.

We believe there could be savings in the amount of billions of dollars in the way the Government is doing its purchasing, plus being able to get better goods and services, if we can adopt reform. For that reason, I concur in the unanimous-consent request.

I say to the distinguished Senator from North Carolina that I hope we will get a chance to see this measure come out of the Committee on Armed Services shortly, even this year, if possible, so that we would have an opportunity for the Senate to act on it this year.

Mr. MORGAN. Mr. President, I am glad to say to my distinguished colleague that we will try to give this bill expeditious handling.

The distinguished chairman of the Armed Services Committee has designated the Senator from Arizona (Mr. GOLDWATER) and me as an ad hoc subcommittee specifically for this bill, and I say to the Senator that we will begin immediately to go into it and bring it back as quickly as possible.

Mr. CHILES. I thank the Senator from North Carolina.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina? The Chair hears none, and it is so ordered.

ORDER FOR PLACEMENT IN THE PERMANENT RECORD OF TRIBUTES TO JOHN D. ROCKEFELLER III

Mr. JAVITS. Mr. President, I ask unanimous consent that all tributes to John D. Rockefeller III may be consolidated in the permanent Record so that they may be available in one place to his friends and family.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO J. ALLEN FREAR, JR.

Mr. ROTH. Mr. President, an uncommon man, a distinguished son of Delaware, a colleague of many in this Chamber and friend to all, was honored on Monday of this week in Dover, the capital of my State.

J. Allan Frear, Jr., served citizens of Delaware in the U.S. Senate for 12 years from 1948 to 1960. On Monday Delaware turned out to pay tribute to the special integrity of Allen Frear in a ceremony naming the Dover, Delaware Federal Building in his honor.

Platform guests included the Senator's lovely wife and distinguished Delaware citizen in her own right, Esther Frear; the master of ceremonies, Mr. John F. Galuardi, Regional Administrator of the General Services Administration; the Reverend Gregory M. Howe of Christ Episcopal Church; the Honorable Charles Legates, mayor of Dover; Mr. Frederick Van Sant, director of personnel for the State of Delaware; the Honorable Jay Solomon, Administrator of General Services of the United States; former Senator J. Caleb Boggs; former Gov. Elbert Carvel; and the Members of Delaware's Congressional delegation, the Honorable JOSEPH R. BIDEN, JR., U.S. Senator; the Honorable THOMAS B. EVANS, JR., Member of Congress, and myself.

Mr. President, I think it well for us to reflect a moment on the personal and public integrity of this uncommon Delawarean who prefers to call himself a "dirt farmer" rather than the Senator he once was and always will be. Senator Frear's hard work and unselfish service in this Chamber ranged far and wide, but always returned to those he zealously and ably represented; the people. Allen Frear championed States' rights in his belief that the only proper role of the Federal Government is to preserve the individual liberties of the working man and woman, and to this end he was the principal sponsor of the first postwar housing bill in Congress.

During his years in the Senate he came to know both Presidents Truman and Eisenhower well, and served our country on several notable overseas assignments in Indonesia, Turkey, and Russia. In Delaware Allen Frear was always known as a friend of the working people. Although he served 12 years in this Chamber, Senator Frear returned always with his heart to his home State. He fought for transportation improvements in Delaware upon which the First State's economic prosperity in the midst of regional diversity has been based. He worked for the revitalization of one of our Nation's great aviation fortresses, the Dover Air Base, a key element in Delaware's sustained economic growth for the last 30 years.

Mr. President, many of my colleagues and I join today in honoring Allen Frear, Jr., a dedicated uncommon man of the First State, Delaware. I ask unanimous consent that the remarks made by the Honorable Jay Solomon, Administrator of General Services, and by myself at the ceremonies in Dover, Del., be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

REMARKS BY JAY SOLOMON, ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION AT RENAMING OF J. ALLEN FREAR FEDERAL BUILDING, DOVER, DEL.

This is indeed a special occasion! I'm pleased to be here in Dover this morning to